

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

Hearing Date:

May 13, 2025, at 1:00 p.m. (ET)

Objection Deadline:

April 29, 2025, at 4:00 p.m. (ET)

**SUMMARY OF FIRST AND FINAL FEE APPLICATION OF
A&G REALTY PARTNERS, LLC FOR ALLOWANCE OF ADMINISTRATIVE
CLAIM FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM SEPTEMBER 9, 2024 THROUGH FEBRUARY 7, 2025**

Name of Applicant:

A&G Realty Partners, LLC

Authorized to Provide Professional Services
to:

Big Lots, Inc., *et al.*, debtors and debtors in
possession

Date of Retention:

Order entered on October 18, 2024, effective
as of September 9, 2024

Period for which compensation and
reimbursement is sought:

September 9, 2024, through February 7, 2025

Amount of Compensation sought as actual,
reasonable and necessary:

\$5,234,913.88

Amount of Expense Reimbursement sought as
actual, reasonable, and necessary:

\$4,096.19

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

Name of Applicant:

A&G Realty Partners, LLC

Type of fee statement or application:

First and Final Fee Application²

Pursuant to sections 328 and 330 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the *Order (A) Authorizing the Debtors to Retain A&G Realty Partners, LLC as a Real Estate Consultant and Advisor to the Debtors Effective as of the Petition Date, and (B) Waiving Certain Reporting Requirements* [Docket No. 549] and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained Professionals* [Docket No. 519] (the “Interim Compensation Order”), A&G Realty Partners, LLC (“A&G”), real estate consultant and advisor for Big Lots, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby files this first and final fee application (this “Final Fee Application”) for compensation in the amount of \$5,234,913.88 for the reasonable and necessary real estate consulting and advisory services that A&G rendered to the Debtors, and reimbursement of expenses in the amount of \$4,096.19, for the period from September 9, 2024, through February 7, 2025 (the “Compensation Period”). The total amount sought by A&G in the Final Fee Application is \$5,239,010.07.

Itemization of Services Rendered and Disbursements Incurred

1. In support of this Final Fee Application, attached are the following exhibits:

² Notice of this Final Fee Application shall be served in accordance with the Interim Compensation Order (as defined herein), and any objections to payment of the amounts described in this Final Fee Application shall be addressed in accordance with the Interim Compensation Order.

- **Exhibit A** is the declaration of Andy Graiser, Co- President of A&G.
- **Exhibit B** contains invoices and back-up for the Services rendered by A&G during the Compensation Period and resulting fees incurred. As set forth therein, A&G incurred \$5,234,913.88 in fees during the Compensation Period.
- **Exhibit C** is an invoice for costs A&G incurred during the Compensation Period. As set forth therein, A&G incurred \$4,096.19 in costs during the Compensation Period.

WHEREFORE, A&G requests (i) allowance of its fees in the total amount of \$5,234,913.88 for reasonable and necessary professional services rendered by A&G, and reimbursement of expenses in the amount of \$4,096.19 incurred by A&G, during the Compensation Period, for a total award of \$5,239,010.07, and (ii) approval of the Debtors' payment thereof as an administrative expense of the Debtors' estates.

Dated: April 8, 2025

Respectfully submitted,

A&G REALTY PARTNERS, LLC

By: /s/ Andy Graiser
Andy Graiser, Co-President
A&G Realty Partners, LLC
445 Broadhollow Road, Suite 410
Melville, New York 11747
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**FIRST AND FINAL FEE APPLICATION OF A&G REALTY PARTNERS, LLC
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT
OF EXPENSES INCURRED AS REAL ESTATE CONSULTANT AND
ADVISOR TO THE DEBTORS FOR THE PERIOD FROM
SEPTEMBER 9, 2024 THROUGH FEBRUARY 7, 2025**

Pursuant to sections 328 and 330 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained Professionals* [Docket No. 519] (the “Interim Compensation Order”), and the *Order (A) Authorizing the Debtors to Retain A&G Realty Partners, LLC as a Real Estate Consultant and Advisor to the Debtors Effective as of the Retention Date, and (B) Waiving Certain Reporting*

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

Requirements [Docket No. 549] (the “A&G Retention Order”), A&G Realty Partners, LLC (“A&G”) hereby submits this first and final fee application (the “Final Fee Application”) for compensation of services rendered as real estate consultant and advisor for the above captioned debtors in possession (collectively, “Big Lots” or the “Debtors”) and reimbursement of expenses incurred. A&G seeks approval of professional fees in the amount of \$5,234,913.88 for reasonable and necessary professional services rendered to the Debtors for the period from September 9, 2024 through February 7, 2025 (the “Compensation Period”), and the Debtors’ payment thereof. A&G also seeks reimbursement for expenses incurred during the Compensation Period in the amount of \$4,096.19 and the Debtors’ payment thereof. In support of this Final Fee Application, A&G represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b) and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b), and, pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, the Debtors consent to the entry of a final order by the Court in connection with this Final Fee Application to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are sections 328 and 330 of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-1.

BACKGROUND

3. On September 9, 2024 (the “Petition Date”), the Debtors commenced voluntary cases under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”). The Debtors remain in possession of their property and continue to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

4. The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and the Order Directing Joint Administration of Chapter 11 Cases [D.I. 95] entered by the Court on September 10, 2024, in each of the Chapter 11 Cases.

5. On September 23, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors pursuant to section 1102 of the Bankruptcy Code [D.I. 248].

6. As of the Petition Date, Big Lots was a one-stop shop home discount retailer. Headquartered in Columbus, Ohio, Big Lots operated more than 1,300 stores across 48 states in the United States, as well as an ecommerce store with expanded fulfillment and delivery capabilities. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the *Amended Declaration of Jonathan Ramsden as Chief Financial and Administrative Officer of the Debtors in Support of the Debtors’ Chapter 11 Proceedings and First Day Pleadings* [D.I. 77-1].

RETENTION OF A&G REALTY PARTNERS, LLC

7. In consideration of the various landlord issues that have arisen prepetition and will surely arise during the pendency of these Chapter 11 Cases, the Debtors that the services of experienced real estate consultants would substantially enhance their attempts to maximize the value of their estates for the Debtors’ estates and creditors.

8. The Debtors decided to retain A&G as their real estate consultant and advisor due to A&G's extensive experience and knowledge of the real estate market, excellent business reputation, and significant experience in providing services regarding the review, analysis, and negotiation of lease and real property agreements, both in and out of chapter 11 cases. Additionally, A&G has significant experience in the disposition of leases and properties in bankruptcy.

9. Accordingly, the Debtors and A&G entered into that certain Real Estate Services Agreement dated June 6, 2024, as amended (the "Services Agreement").

10. On September 18, 2024, the Debtors filed the *Debtors' Application for an Order (A) Authorizing the Debtors to Retain A&G Realty Partners, LLC as a Real Estate Consultant and Advisor, Effective as of the Petition Date, and (B) Waiving Certain Reporting Requirements* [Docket No. 207] (the "Retention Application").

11. In the Retention Application, the Debtors requested approval from this Court to enter into the Services Agreement and to employ A&G to:²

- a. Review the Debtors' Lease Portfolio, consult with the Debtors regarding goals, objectives and financial parameters in relation to the Lease Portfolio and assist the Debtors with their overall strategy with respect to the Lease Portfolio;
- b. Assist the Debtors in developing store segmentation buckets in view of, that correspond to, the Debtors' goals and objective for the Lease Portfolio, and determine Lease modification requests;
- c. Provide ongoing advice and guidance related to lease restructuring opportunities;
- d. Negotiate with the Landlords on behalf of the Debtors to obtain Lease Modifications and Early Termination Rights acceptable to the Debtors;
- e. If requested by the Debtors, market some or all of the Leases, in a manner and form as determined by A&G and approved by the Debtors, and negotiate with

² All capitalized terms shall have the meanings ascribed to them in the Retention Application or the Services Agreement, as the case may be.

the Landlords and other third parties on behalf of the Debtors to assist the Company in obtaining Lease Sales;

f. If requested by the Debtors, negotiate with Landlords on behalf of the Debtors to obtain Landlord Consents acceptable to the Debtors;

g. Coordinate with the Debtors' financial advisors to provide reporting and supporting market data reasonably acceptable to the Debtors and A&G, such as is necessary for the Debtors to evaluate Lease Modifications, Lease Sales, Termination Rights, Landlord Consents and other proposals;

h. Provide weekly update reports to the Debtors regarding the status of the Services or more frequently as may be requested by the Debtors;

i. Assist in the reconciliation of the Debtors' data of, and relating to, the Leases and premises covered thereby;

j. Revise Landlord projections and asks based on the Debtors' revised data and perform additional store-by-store reviews with the Debtors;

k. Consult real estate team regarding management of rent payments, exercise of options, and Lease defaults; and

l. Obtain NDA's for retailers seeking specific information on store closings and address store closures with Landlords.

12. In the Retention Application, the Debtors also requested approval to compensate A&G in accordance with the terms set forth in the Services Agreement. Pursuant to the Services Agreement, the Debtors agreed (subject to Bankruptcy Court approval) to pay A&G for the Services as follows (the "Fee Structure"):

- a. Retainer/Advance: On June 11, 2024, the Debtors paid A&G a retainer in the amount of \$150,000 (the "Retainer"). Pursuant to the August 21, 2024 Amendment to Real Estate Services Agreement, the Debtors paid A&G an advance of \$150,000 (the "Advance").
- b. Monetary Lease Modifications. For each Monetary Lease Modification obtained by A&G on behalf of the Debtors and agreed to by the Debtors in their sole discretion, A&G shall earn and be paid a fee, in the amount of two and one-half percent (2.5%) of the Occupancy Cost Savings in years 1 through 5 of remaining Lease term and one and one-half percent (1.5%) of the Occupancy Cost Savings in any years of the Lease remaining thereafter including any option terms.

- c. Non-Monetary Lease Modifications. For each Non-Monetary Lease Modification obtained by A&G on behalf of the Debtors and agreed to by the Debtors in their sole discretion, A&G shall earn and be paid a fee of \$750.00 per Lease.
 - d. Early Termination Rights. For each Early Termination Right obtained by A&G on behalf of the Debtors and agreed to by the Debtors in their sole discretion, A&G shall earn and be paid a fee of twenty percent (20%) of one (1) month's Gross Occupancy Cost, up to \$3,000 per Lease.
 - e. Lease Sales. For each Lease Sale obtained by A&G on behalf of the Debtors and agreed to by the Debtors in their sole discretion, A&G shall earn and be paid a fee in the amount of three percent (3%) of the Gross Proceeds, provided, however, if a Lease is listed for sale and a closing on such Lease Sale does not occur, A&G shall earn and be paid a fee of five hundred dollars (\$500) for such Lease.
 - f. Landlord Consents. If requested by the Debtors, for each consent obtained by A&G to extend the Debtors' time to assume or reject a Lease as a part of any applicable Chapter 11 case, A&G shall earn and be paid a fee in the amount of five hundred dollars (\$500) per Lease.
13. On October 18, 2024, the Court entered the A&G Retention Order.
14. Pursuant to the A&G Retention Order and in accordance with sections 327(a) and 328(a) of the Bankruptcy Code, the Debtors were authorized by the Court to employ A&G as their real estate advisor and consultant, effective as of the Petition Date (defined as September 9, 2024), on the terms and conditions set forth in the Application and the Services Agreement and in accordance with the Fee Structure (except as otherwise provided by the A&G Retention Order).
15. The A&G Retention Order approved the terms and provisions of the Services Agreement and authorized the Debtors to compensate A&G in accordance with the Services Agreement. The Retention Order further provided that A&G would (a) be compensated, within ten (10) days of submission, for 100% of each acceptable invoice for Services rendered and expenses incurred and (b) not have to file monthly or interim fee applications for its Services; *provided, however*, that A&G shall be required to file a final fee application upon completion of its Services. Moreover, the Retention Order stated that A&G's final fee application would be subject to the

standard of review provided for in section 328(a) of the Bankruptcy Code except as to the U.S. Trustee, who shall retain the right and be entitled to object to A&G's fees and expenses based on the reasonableness standard provided for in section 330 of the Bankruptcy Code.

16. Accordingly, in compliance with the A&G Retention Order, A&G hereby submits this Final Fee Application.

RELIEF REQUESTED

17. Section 328(a) of the Bankruptcy Code provides, in relevant part, that the Debtors "with the court's approval, may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis."

18. Through this Final Fee Application, and in accordance with the Interim Compensation Order, A&G seeks: (a) allowance of fees in the total amount of \$5,234,913.88 for Services rendered on behalf of the Debtors and reimbursement of related expenses in the amount of \$4,096.19 during the Compensation Period; and (b) approval of the Debtors' payment thereof (including application of the Advance and Retainer).

19. A&G has received no payment and no promises for payment from any source other than the Debtors for services rendered during the Compensation Period in connection with the Chapter 11 Cases. There exists no agreement or understanding between A&G and any other person for the sharing of any compensation to be received for services rendered by A&G in the Chapter 11 Cases.

20. All services for which compensation is requested by A&G pursuant to this Final Fee Application were performed for or on behalf of the Debtors in the Chapter 11 Cases.

21. During the Compensation Period, A&G obtained: (i) Monetary Lease Modifications yielding rent savings to the Debtors of almost \$214 million (resulting in a fee of

\$4,333,027.76); (ii) numerous Non-Monetary Lease Savings (resulting in a fee of \$301,500); (iii) 96 Lease Sales generating Gross Proceeds of more than \$14 million (resulting in a fee of \$380,386.12, reflective of a discount for one of the Lease Sales). A&G also was entitled to the minimum Lease Sales fee of \$210,000 for 420 Leases.

22. Accordingly, and as detailed in **Exhibit B** to this Application, the total fees accrued as a result of the Services are \$5,234,913.88. Additionally, as detailed in **Exhibit C** to this Application, A&G incurred related out-of-pocket expenses in the amount of \$4,096.19.

23. In compliance with the Retention Order, A&G has been paid in full on account of its fees and costs.

24. The fees charged by A&G have been billed in accordance with the Services Agreement, the Retention Application, and the A&G Retention Order and are reasonable in light of, among other things, (a) industry practice, (b) market rates charged for comparable services both in and out of the chapter 11 context, and (c) A&G's substantial experience with respect to real estate consulting and advisory services. The Fee Structure appropriately reflects the nature and scope of services performed by A&G in the Chapter 11 Cases and the fee structures typically utilized by A&G. A&G also respectfully submits that such fees are reasonable based upon the customary compensation charged by similarly skilled professionals in comparable bankruptcy cases and non-bankruptcy matters in the competitive real estate market.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: April 8, 2025

/s/ Andy Graiser
Andy Graiser
Co-President
A&G Realty Partners, LLC